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DIRECTORATE OF  
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# *Central Intelligence Bulletin*

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[ Vietnam: North Vietnam's premier is finally headed home after some three weeks on the road in China, Eastern Europe, and the USSR.

Pham Van Dong left Moscow by rail on 18 October and is scheduled to make a stop in Volgograd before leaving the USSR. His week's stay was capped by an effusive joint communiqué with the Soviets which nicely fits Hanoi's desire to balance a similar display of solidarity with the Chinese earlier this month.

The premier's extended trip shows the importance the North Vietnamese attach to maintaining close relations with their Communist allies. It also suggests that the new regime is firmly in control in Hanoi and that basic policy matters probably have been resolved for the time being. Dong almost certainly would not have been away so long if major issues were still being thrashed out.

\* \* \* \*

In South Vietnam, [REDACTED]

[REDACTED] the enemy high command has ordered all party units to transfer their quasi-governmental functions to the nominal control of the "Provisional Revolutionary Government" (PRG) by the end of the year. This would give the PRG more of the trappings of a "government" in Communist-controlled and some contested areas. Real authority would continue to be exercised through party channels.

The change is one more sign that the Communists are preparing their forces for a time when the issues of territorial and population control will be of crucial importance, presumably in conjunction with a cease-fire and/or a political settlement. References to these eventualities have been sprinkled through recently captured documents and reports from prisoners. The latest major directive from ]

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[ the Communist command, which was issued this summer and is now being disseminated and discussed down the line, mentions the possibility of a cease-fire, but it also stresses preparations for carrying on the war if this proves necessary. These references do not reflect new decisions in Hanoi since Ho Chi Minh's death last month. They seem to be part of broad Communist contingency planning, which most likely is based on decisions made as long ago as last spring.

Military action in South Vietnam was generally light during the weekend with only skirmishes and enemy harassing attacks reported from most parts of the country.

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Japan: Radical leftists plan to counter mounting police pressure with violent hit-and-run tactics Tuesday during observances of "International Antiwar Day."

Extremist student and labor elements, according to the US Embassy, are planning to stage guerrilla attacks on rail stations, government offices, and the US Embassy in Tokyo.

[REDACTED]

[REDACTED]

[REDACTED] A national turnout of over 300,000 is predicted, with about 80,000 in Tokyo. The majority of the demonstrators will be nonviolent members of the traditional left, and police will focus most of their resources on the extremist minority.

As a warmup for Tuesday's demonstrations, radical students staged a series of hit-and-run raids in Tokyo this weekend. One group of students hurled molotov cocktails onto the grounds of the prime minister's residence, while another group temporarily occupied one floor of Sato's party headquarters.

The radical left views their nonviolent demonstrations earlier this month as an experiment which failed because significant numbers of uncommitted Japanese did not rally to the antitreaty cause. Ultraleftist groups, therefore, have returned to the tactics of violence and plan to foil police countermeasures by operating in small groups and attacking in widely dispersed groups.

[REDACTED]

(continued)

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Riot control police, on full alert since early October, have been organized into mobile units to deal with the guerrilla tactics. The police reportedly will try to arrest as many rioters as possible in order to cut down on the number of potential rioters when Sato departs in November. [REDACTED]

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Communist China: The leadership in Peking has still not been able to provide an effective program to rebuild the party machinery that was destroyed in the cultural revolution.

Several recent statements in the official press and radio blame remnants of factional groups for hampering efforts to reconstitute local party committees. An editorial in the October issue of the theoretical journal Red Flag noted ruefully that there is still factionalism in the revolutionary committees, the local administrative units that are supposed to provide the core of the new party machinery.

Despite the obvious awareness in Peking of the obstacle that continued factional disputes pose to re-establishing a functioning party in China, the leadership appears unable to agree on definitive guidelines for local leaders, who are usually military commanders. The October Red Flag, for example, scored leaders of the revolutionary committees for failing to quell factional infighting. Yet the same article shied away from telling local leaders precisely what steps they should take to end the infighting. Instead, it retreated behind a fog of pious exhortations to study the thought of Mao and thus find a way out of their difficulties.

Little progress in reconstituting the party is likely as long as the leadership in Peking continues to insist that the new party committees must include such mutually antagonistic elements as the Red Guards and former party officials who were ousted by the Red Guards. The leadership in Peking itself, moreover, seems uneasily balanced between contending forces and therefore any fundamental change in this policy in the near future seems unlikely.

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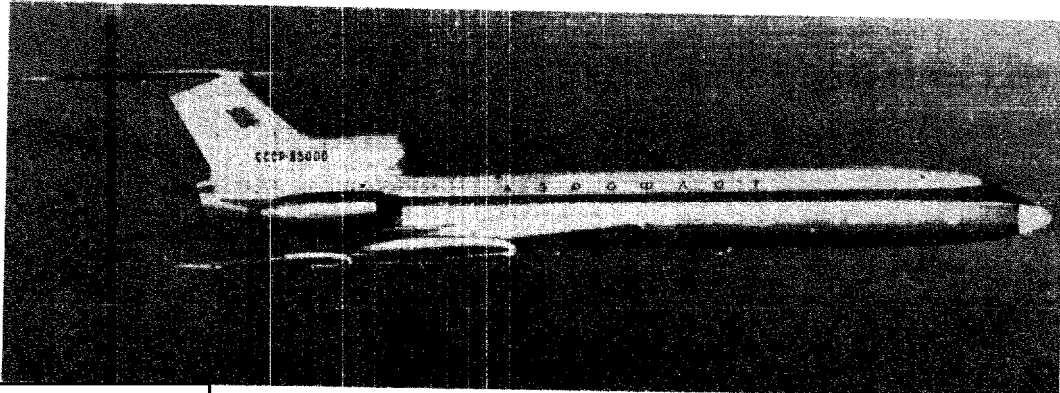
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### Soviet Transport Figures in USSR/India Rail Car Deal



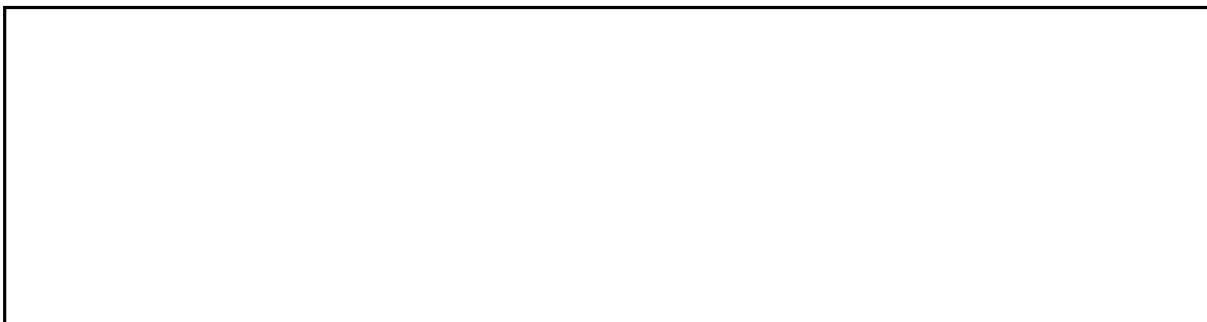
*TU-154 tri-jet medium transport*

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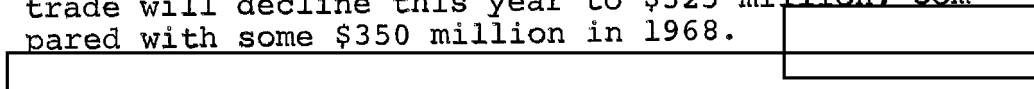
USSR-India: Moscow reportedly has made its offer to purchase Indian rail cars contingent on New Delhi's purchase of Soviet commercial aircraft.



Although there are competing offers from the US and Britain, New Delhi now is seriously considering the Soviet deal. The Soviet TU-154 is a tri-jet medium transport, designed to carry 126-164 passengers. It probably will not be ready for export, however, until 1971. New Delhi has resisted past Soviet offers to sell other commercial transports.

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If agreement is reached with the USSR on these deals, they will contribute significantly to increasing trade between the two countries, which has remained relatively static since 1965. According to a trade protocol signed in January, total Indo-Soviet trade will decline this year to \$325 million, compared with some \$350 million in 1968.

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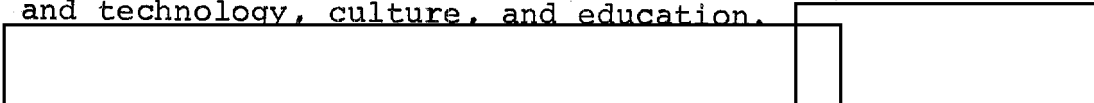
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European Security: Several sources in Eastern Europe have reported that the Warsaw Pact foreign ministers will meet shortly on European security.

The sources indicated that the meeting would take place well in advance of the NATO ministerial meeting in December. According to one, the pact meeting will issue a programmatic statement which would give the NATO ministers "something to chew on." Another source said the pact ministers also would assess the new West German government and make an "appropriate" statement concerning it.

Such a meeting would be designed to maintain momentum for further discussions on convening a European security conference. The document it produces will probably be cast along the lines of the Budapest declaration of 17 March 1969. It may also broach a draft treaty for European security that has been in preparation in the Polish foreign ministry for some time. This would include calls for an agreement on nonuse of force, regional disarmament schemes or weapons freezes, and formation of East-West subcommittees to prepare for an eventual conference in such specific areas as trade, science and technology, culture, and education.



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Nigeria: Prospects for a negotiated settlement of the war remain dim.

Christopher Mojekwu, the most influential Biafran leader after General Ojukwu, reiterated recently that Biafra cannot agree to being part of a "unified" Nigeria, although it would accept some type of loose formal association. [REDACTED]

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[REDACTED] Mojekwu repeated several of Biafra's minimum specific demands, among them the two basic and probably unnegotiable requirements that Biafra be responsible for its own security and that it have its own voice in international affairs.

On the federal side, senior army commanders recently met in Lagos and [REDACTED]

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[REDACTED] told federal leader Gowon that the only acceptable solution to the Biafran question was a military one. The commanders believe that any negotiated settlement would result in unfair advantages for the Ibos. [REDACTED]

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Bolivia: The government may be planning to expropriate other US-owned enterprises.

The takeover of the Bolivian Gulf Oil Company has stirred popular demonstrations throughout the country in support of the government's action and has prompted calls for further nationalization.

25X1 [redacted] the government already has plans to nationalize the US-owned Matilde Mines, the second largest US enterprise in Bolivia. In addition, workers have occupied the mining site of the US-owned South American Placers Company and demanded that the government nationalize it.

The wave of anti-American sentiment sweeping the country has also resulted in some attacks on official US installations, and the government has provided army protection to prevent any further damage.

Bolivia is one of the poorest Latin American countries and is already seeking aid in operating the expropriated oil company. According to press reports, diplomatic relations were established with Romania within hours of the expropriation ceremony, and agreements on technical aid and trade exchanges reportedly were signed.

A committee has been set up to decide on possible compensation for Gulf, but there is strong pressure from several political groups to avoid any payment. Minister of Mines Marcelo Quiroga, one of the most anti-American and extremely nationalist member of the cabinet, heads the committee.

It was probably Quiroga, with the support of the other leftists in the cabinet, who convinced President Ovando to expropriate the company, and his fiery speeches on the subject have made him extremely popular.

[redacted]

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Quiroga earlier this month voiced ambitions to be president, and threatened that if Ovando did not go along with the policies of the leftists, they would attempt to bring down the government.

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25X1 North Korea - US: The North Korean ambush of US troops repairing communications lines along the Demilitarized Zone on 18 October resulted in the first US casualties along the DMZ since June; four Americans were killed. The incident comes only a week before the annual debate on Korea in the UN. Pyongyang has undertaken a major effort this year to propagandize its alleged peaceful intentions and to obtain an invitation to participate in the debate. The ambush may have been an isolated incident, but it also could be an attempt to dramatize so-called "aggressive activities" of US troops under the UN flag in Korea.

\* \* \* \*

25X1 NATO: Some new points have emerged in Alliance discussions of measures to offset the Canadian force reductions in Germany, but a complete filling of the gap remains unlikely. West Germany is now hoping that the other members will help with the foreign exchange costs involved in the possible return of a UK infantry brigade to Germany, but most members do not favor such a special financial arrangement. The Dutch have indicated that they could station additional forces in Germany if they do not have to construct new barracks. Ottawa, meanwhile, has indicated it may delay the withdrawal of its mobile brigade group from 1 July 1970 to the fall of that year.

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Chile: The Frei government has raised political tensions by its efforts to muzzle public knowledge of new developments in the discontent festering in the armed forces. The clampdown on news accounts of reaction to the forced retirement on 17 October of General Roberto Viaux, leader of officers trying to force military pay and prestige improvements, was clumsy and showed lack of foresight. If the government takes legal action against intemperate politicians defending Viaux, reaction will increase, pleasing the leftists who have spoken out against the military's efforts at confrontation over their grievances. General Viaux' chances of gaining anticipated support for his defiance from at least one respected division commander and from ambitious younger officers were probably lessened by the announced retirements of other high-ranking officers which will improve chances for advancement.

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